

Model Revolving Loan Fund (RLF) Programs Spring 2023 Webinar Series

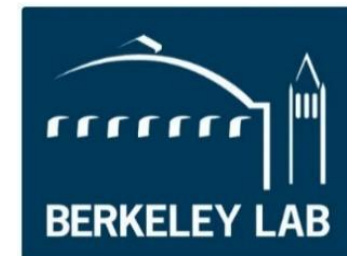
March 1, 2023

Texas LoanSTAR Revolving Loan Fund Program



SCEP

STATE & COMMUNITY ENERGY PROGRAMS



Agenda

- 1. Housekeeping, Updates, and Reminders**
- 2. Featured Presentation**
 - Texas LoanSTAR Revolving Loan Fund Program**
- 3. Facilitated Q&A with Berkeley Lab**

Housekeeping, Upcoming Webinars, and RLF Program Reminders

Upcoming Webinars in Model RLF Program Webinar Series

- **March 15** (Part 3) – California’s Advanced Rebate Program with the Golden State Finance Authority
- **March 29** (Part 4) – Residential Financing Programs: Nebraska’s Dollar and Energy Saving Loans Program AND Green Jobs, Green New York

Registration required for webinars; Registration links and additional info to be provided ~2 weeks prior.

Reminders:

- **Application Deadline:** Due April 21, 2023
- **Essential Resource:** Program Overview Webinar and Slides from December 2022

Questions?

- Contact your SEP Project Officer or EERevolvingLoanFund@ee.doe.gov

Texas LoanSTAR Overview

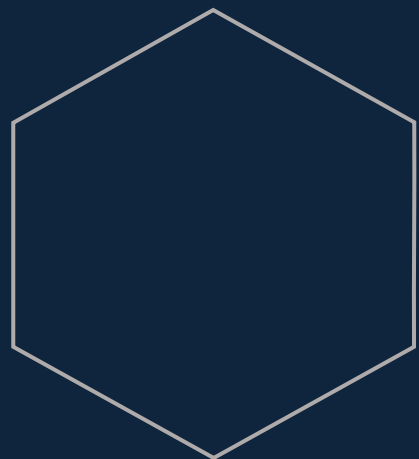
Eddy Trevino

Director

State Energy Conservation Office



SECO
State Energy
Conservation Office



Agenda



History

1988 (originally a DOE statewide energy efficiency demonstration program)

1995 (removed “demonstration” from the Program)

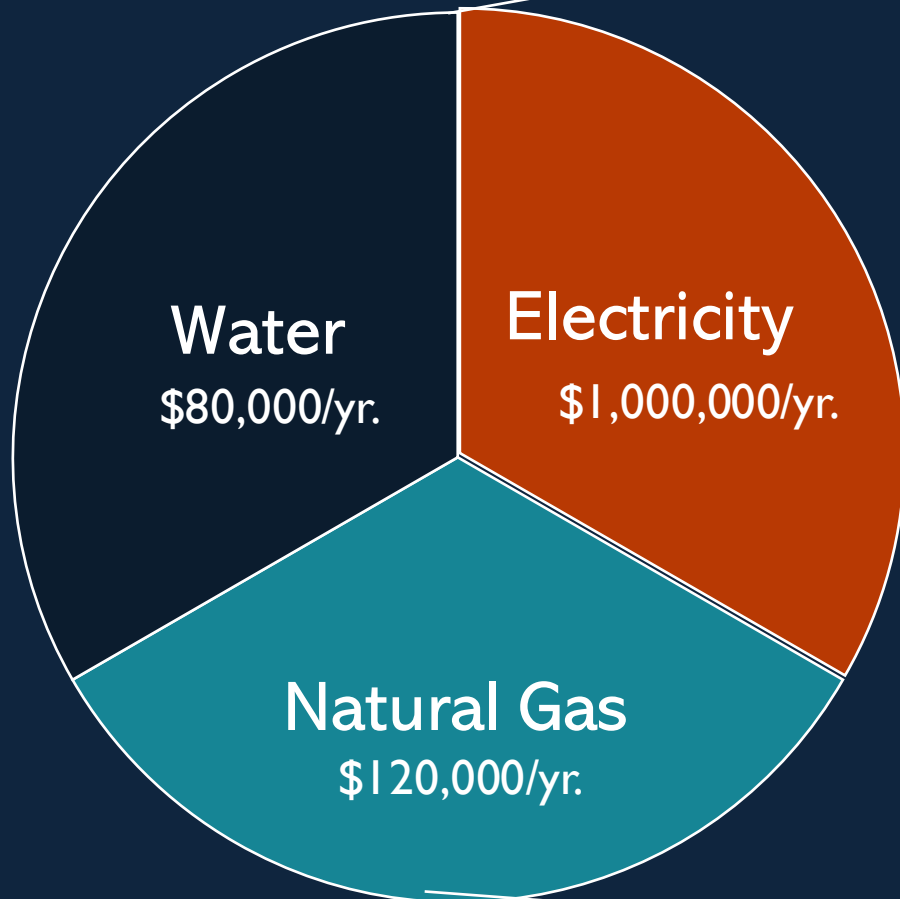
Audience

Tax-payer supported institutions

K-12 schools, local and county governments, hospital districts, high education, state agencies

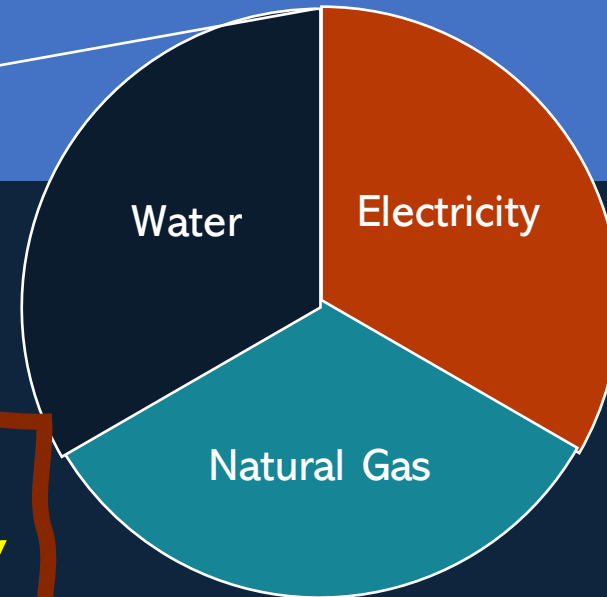


Keep the same utility budget
Use existing utility dollars saved from the
retrofits to pay for capital improvements

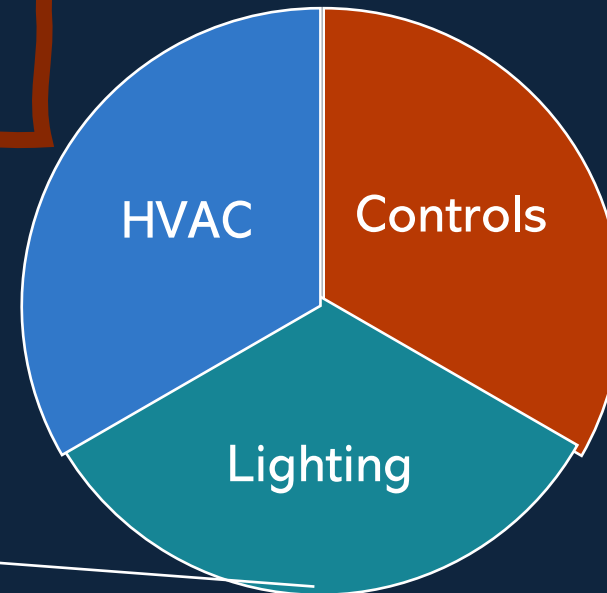


Pre-retrofit Utility Spend
\$1,200,000/yr.


Maintain the
Current Utility
Budget
\$1,200,000/yr.



Post-retrofit Utility Spend
\$1,000,000/yr.



Dollars Re-directed to
Capital Improvements
\$200,000/yr.



398 LOANS
\$500 MILLION
\$786 MILLION
PROGRAM SAVINGS
NO DEFAULTS

Financial Elements

Manage funds internally
(funds in State Treasury)

Measures must make financial sense

Energy saving or demand reduction measures
pay for themselves within the estimated useful
life of the measure

Emissions Savings

Energy Savings (source)	Natural Gas	Nitrogen Oxide	Carbon Dioxide	Sulfur Dioxide
21.6 billion kWh	24.6 MMBTUs	19 tons	7.1 Tons	14.4 tons

LoanSTAR Sources of Capital



Davis Bacon
Buy American Act Provision of
ARRA
NEPA
Historic Preservation

Petroleum violation escrow funds (2%)

Other State Energy Program funds (2%)

Stripper Well funds (2%)

ARRA (1%)

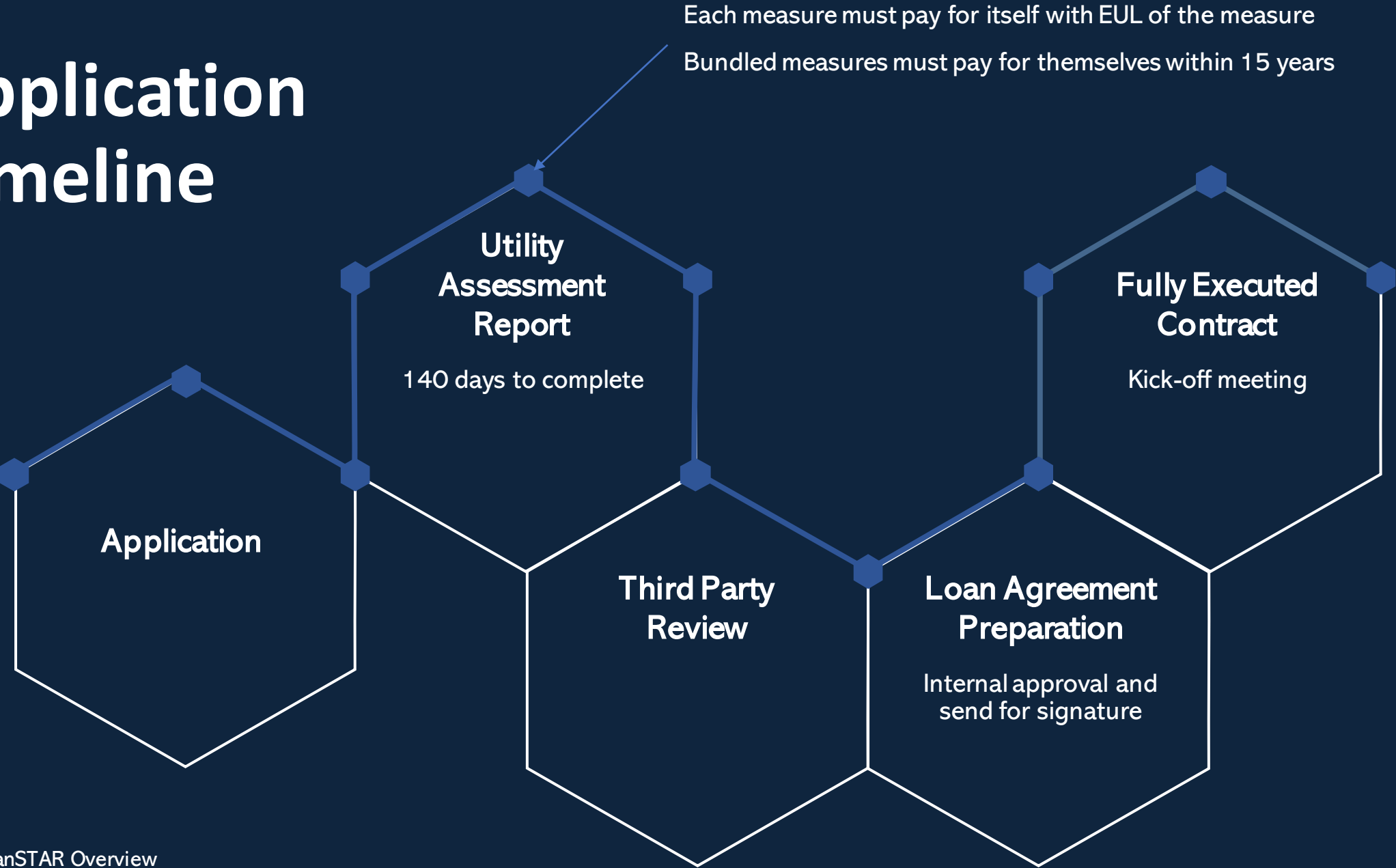
Chiller ARRA (0.25%)

Borrower Participation

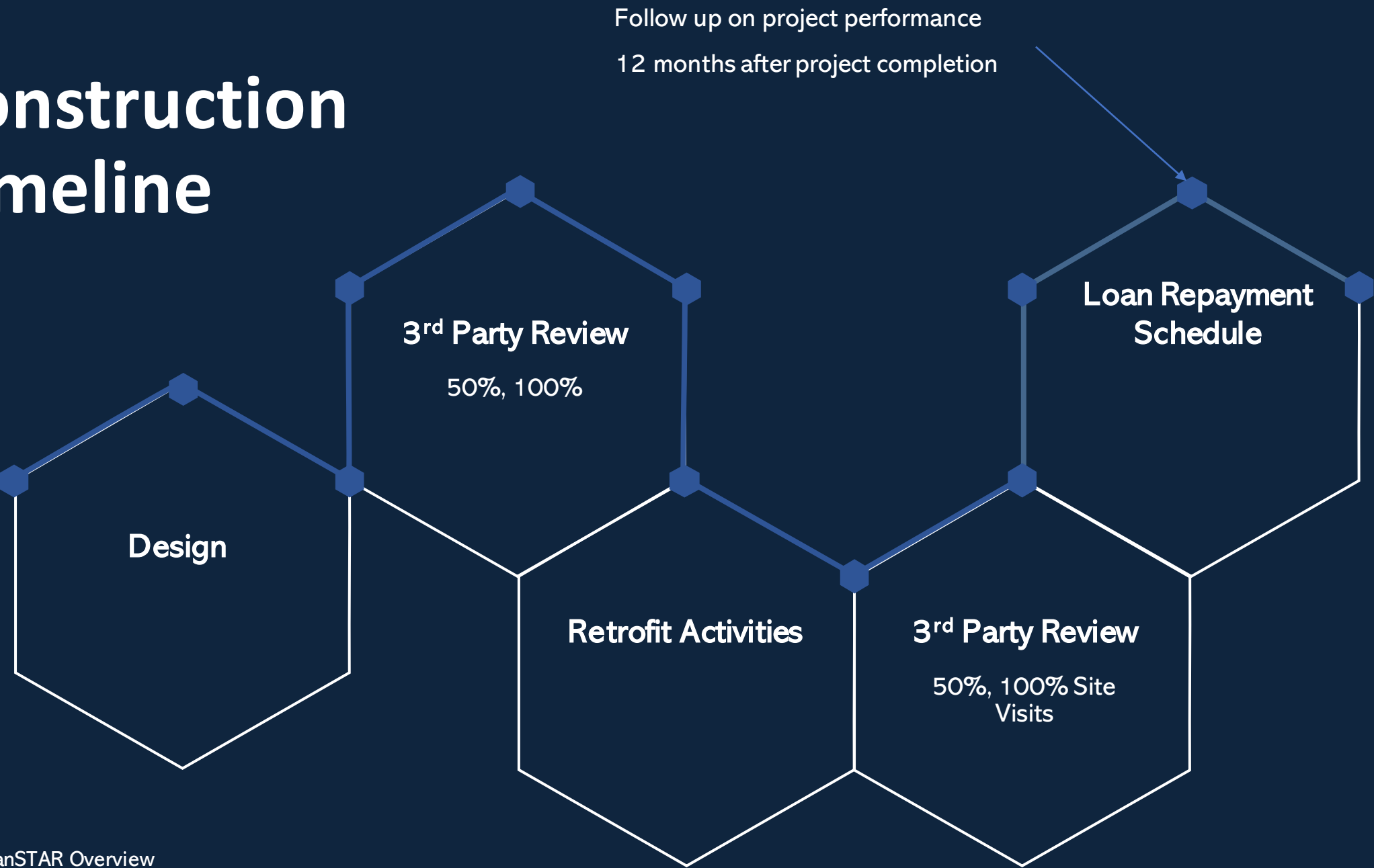
Can provide their own capital to improve payback

Hard cost operational savings to improve payback

Application Timeline



Construction Timeline



Loan Administration



Applications

- First-come first serve application period
- Must own the property
- Permanently affixed measures
- Prescriptive guidelines: LoanSTAR Technical Guidelines
- Third-party independent technical review and onsite visits



Funding

- No origination fees, no prepayment penalties
- Reimbursement based funding (think construction loan on a house)
- Monthly coordination meetings

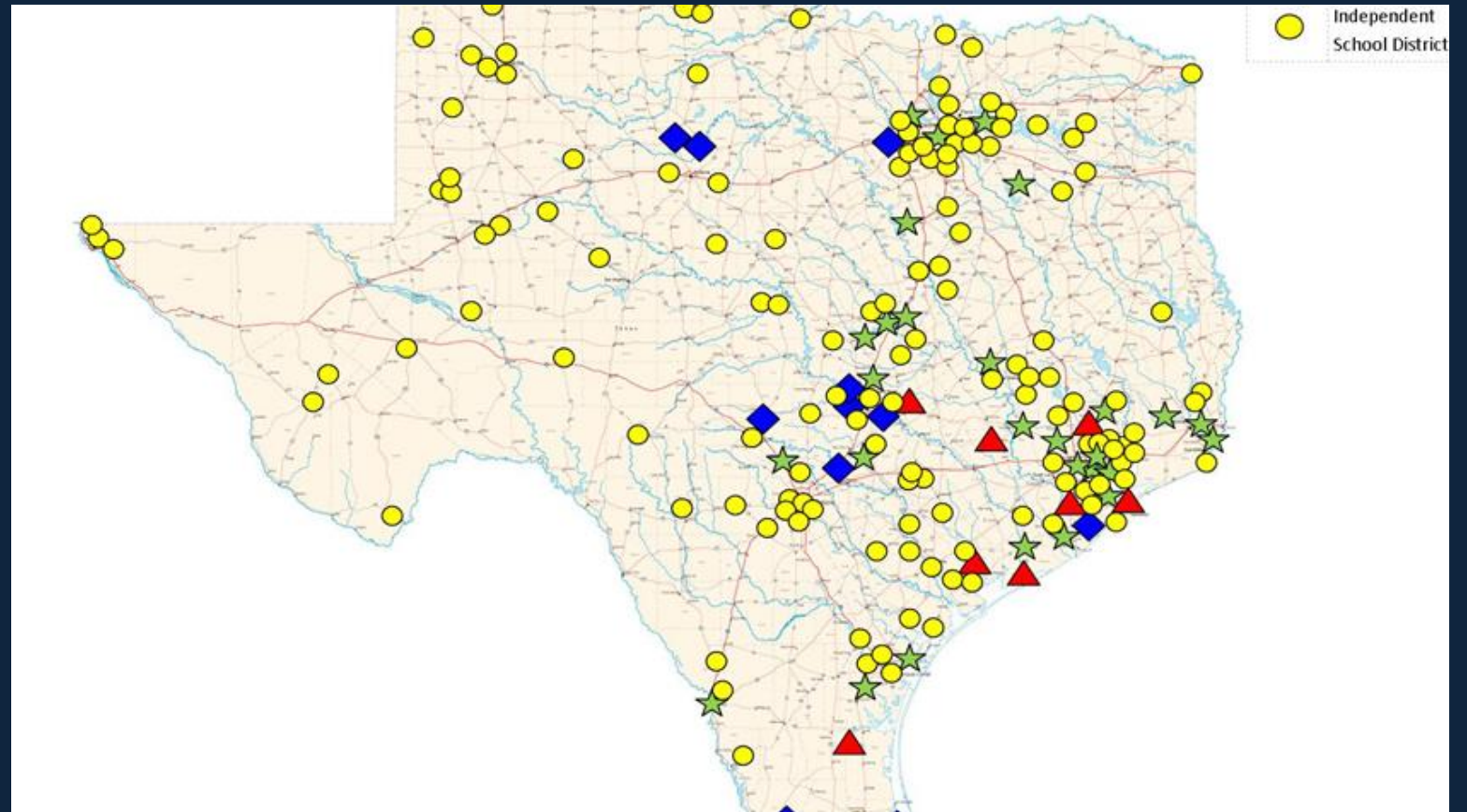


Repayment

- Active oversight

Marketing SECO Technical Assistance

- ASHRAE Level 1.5 Audit
- Facility Benchmarking
- Identify Potential Energy / Water / Dollar Savings
- Energy and Water Management
- Maintenance & Operations (Low / No Cost)
- Utility Rate Analysis
- Feasibility of Renewables, Energy storage, EV chargers
- Conferences



Key Success Factors



**Program
Standardization**



**Independent 3rd
Party Review**



**Mo. Meetings &
Active follow up**

Reimbursement
Requests on 30-
day intervals



**One Source of
Fund per Loan**



Loan Repayment

Actively following
up with late notices

Thank you



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